

Evaluation of Achievements

An important aspect of the Housing Element is an evaluation of achievements under the policies and programs included in the previously adopted Housing Element. The evaluation provides valuable information on the extent to which programs have been successful in achieving stated objectives and addressing local needs, and to which these programs continue to be relevant to addressing current and future housing needs in Morgan Hill. The evaluation provides the basis for recommended modifications to policies and programs and the establishment of new objectives in the Housing Element.

Below is a summary of the City's findings regarding its achievements under the previous Housing Element and provides a brief evaluation of those achievements. The timeframe for these achievements is 1988 to 1998.

Actions:

1a-1: Maintain an adequate supply of vacant land zoned for a range of residential densities.

1a-2: Evaluate annually the amount of land available for development to accommodate the City's ABAG-assigned regional housing allocation.

1a-3: Give high priority in the Capital Improvement Program to public facilities to accommodate the City's ABAG-assigned regional housing allocation.

Achievements:

At the time the Housing Element was adopted, approximately 1,800 acres of land was zoned for single-family use and 250 acres for multifamily low-density use. Community Development Department staff reported annually to the City Council on the supply of residentially zoned land in relation to the City's future housing construction needs. The City's Capital Improvements Plan and annual implementation program has ensured that infrastructure improvements are timed to accommodate residential development needs.

The City believes that its residential zoning actions, annual monitoring, and capital improvement planning and implementation have achieved the objectives of Policy 1-a and have ensured that the City can accommodate its future housing construction needs.

Actions:

1b-1: Identify 25 – 80 acres of land appropriate for higher density multifamily housing and amend the General Plan to accommodate additional R-3.

1b-2: Investigate the possibility of converting vacant industrial areas adjacent to major transportation corridors to multifamily use

Achievements:

The City evaluated the supply of land zoned R-3 in relation to the City's remaining housing need for low- and moderate-income housing and determined that less than ten acres was needed to accommodate the City's remaining affordable housing needs through 2000. The City rezoned 8.8 acres of land for multifamily high-density use (R-3). In addition, the City rezoned 33 acres of formerly industrial-zoned land for multifamily use to meet housing needs after 2000.

Actions:

1c-1: Prepare and adopt a simplified RDCS allocation procedure for small-scale residential projects.

Achievements:

The City simplified the RDCS system by revising the point criteria so that small-scale residential developments would be competitive under the unit allocation system. As a result of the revisions, small residential developments can compete with larger, multi-phase developments.

Actions:

1d-1: Continue to ensure that an average 20 percent of all new housing allocations are designated for multifamily units.

1d-2: Ensure that a minimum of 30 percent of new multifamily units are rentals.

1d-3: Preserve multifamily zoning districts to the maximum extent possible.

1d-4: Avoid rezoning residential land for other uses and for lesser residential densities than shown on the General Plan.

1d-5: Require development of property designated as multi-family to occur at a density no less than the minimum density prescribed by the General Plan.

Achievements:

The City retained the requirement under its RDCS system to ensure that a wide variety of housing types at varying costs were produced. Between 1988 and 1998, 233 multifamily rental units were produced. These multifamily units represented approximately ten percent of all dwelling units constructed between 1988 and 1998. The production of multifamily units was lower than the City's objective due to market conditions during the late 1980s and early 1990s that did not favor multifamily housing production.

The City continues to make periodic adjustments to its allocation system to encourage a broad range of rental and ownership housing and single-family and multifamily housing. The City believes that, with these adjustments, the RDCS system has worked well. To assure the widest possible variety of housing under future allocations, the City maintained at least 85 acres of multifamily-zoned land for multifamily use. The City has required that all existing multifamily land be retained for such use and be developed at minimum densities consistent with the intent of the multifamily districts.

Action:

1e-1: Maintain the Residential Planned Development Provisions of the Zoning Ordinance that permit a variety of lot sizes for single-family homes.

Achievements:

The City has maintained its Planned Residential Development zoning, which has been used to create a number of different single-family developments with varying lot sizes. The Planned Development process has been used to permit smaller single-family lots and more affordable housing prices.

Action:

1f-1: Review General Plan and multifamily Zoning Ordinance provisions to determine the need to increase allowable densities

Achievements:

The two multifamily zones permit densities up to approximately 14 dwelling units per acre in the R2 Medium density zone and about 22 units per acre in the R3 zone (before density bonuses for affordable housing). In reviewing typical densities for very low- and low-income housing that has been constructed in Morgan Hill since the adoption of the RDCS, the City has concluded that densities of up to 27 units per acre, (based on a 25 percent density bonuses for affordable housing) is sufficient to facilitate affordable housing. Some of the affordable projects in Morgan Hill have been developed at less-than-permitted densities, although the City would have permitted higher density projects.

Based on discussions with affordable housing developers, the City has concluded that very low- and low-income family housing projects, particularly those with a large percentage of three- and four-bedroom units, tend to be developed at less than 20 dwelling units per acre. Development standards and other requirements imposed by funding sources, the need to ensure adequate space for children to play, parking associated with larger household sizes, and other facilities needed to support family housing tend to lower the maximum achievable density regardless of the permitted density. Density bonuses do not typically benefit these projects, as they are developed at or below the base density allowed in the R-3 zone.

Affordable housing developed for non-family households (such as single working adults) and seniors can benefit from density bonuses since these projects tend to be developed at more than 20 dwelling units per acre and frequently at 25 – 30 units per acre. Such densities are achievable in the City's R-3 zone with a density bonus.

Actions:

1g-1: Require that an appropriate percentage of all new market rate housing be affordable to lower-, median-, and moderate-income households.

1g-2: Prepare and adopt inclusionary housing provisions to require affordable housing in market rate projects that have been determined to be exempt from the RDCS.

1g-3: Continue to provide density bonuses and other incentives for those projects committing to provide appropriate amounts of below market rate units

Achievements:

The RCDS allocation system awards points for market-rate projects (projects not developed under the 20% percent set-aside for 100% affordable housing developments). Due to the competitive nature of the allocation process, virtually all market-rate projects have included at least 10% affordable housing to garner the maximum points possible. This policy has been very successful, having resulted between 1988 and 1998 in the provision of 153 very low-income, 257 low-income, 109 median/moderate-income housing units (519 total). Another 543 affordable units have been constructed, are under construction, or were approved under RDCS between 1999 and August 2001.

Due to the combination of the 20% allocation set-aside for 100% affordable projects and the point preference for market-rate projects that include at least 10% affordable housing

units, the City determined that a mandatory inclusionary housing requirement was unnecessary, and none was adopted. The City has calculated that nearly one-fourth of the housing units constructed, under construction, or approved under the RDCS have been affordable to very low-, low-, median-, or moderate-income households.

Although the City has made density bonuses available for projects containing at least 10% affordable housing units to very low-income households, 20% affordable units to low-income households, or at least 50% senior units, few of the affordable housing developers have taken advantage of density bonuses. Parcel size, the availability of financial subsidies, and other factors appear to affect the financial feasibility of affordable housing projects more than density bonuses in Morgan Hill. The Morgan Hill Redevelopment Agency has provided housing set-aside and CDBG funds in the past, the applied to state and federal programs, to assure sufficient funding for affordable housing projects.

As property values increase in Morgan Hill, density bonuses may become a more important incentive to assure the financial feasibility of affordable housing. For this reason, the City will continue to offer and promote density bonuses for affordable housing projects.

Actions:

lh-1: Give priority and offer incentives through the Inclusionary Zoning Ordinance to projects that provide units affordable to low- and very low- income households.

lh-2: Retain provisions within the RDCS which provide high point scores for developments that reserve a percentage of the proposed housing for below-market-rate units.

lh-3: Allow small projects (fewer than 16 units) to pay "in lieu" fees when it is not feasible to provide affordable housing on site.

Achievements:

All residential projects that have received allocations under RDCS have included affordable units, either as 100% affordable projects approved under the 20% set-aside for such projects, or in market-rate projects in which 10% or more affordable housing is typically provided. The City has allowed small projects to pay in-lieu fees to receive full credit for affordable housing under the RDCS allocation system.

The City believes that the affordable housing provisions of the RDCS, combined with the opportunity to receive density bonuses and other incentives, provide sufficient incentives to assure that all new projects contain or contribute to affordable housing. Between 1988 and 1998, 519 housing units affordable to very low-, low-, or moderate-income households have been provided under RDCS.

Actions:

li-1: Continue to reserve a minimum of 20 percent of the annual RDCS building allotments for very low-, low- and median-income housing.

li-2: Continue to use RDA Housing Set-Aside funds for financing 100 percent affordable projects, and consider assistance to below-market-rate housing.

li-3: Continue to assist market rate and non-profit developers to put together proposals for new affordable rental housing

li-4: Work with a non-profit housing agency to acquire market rate rental units for gradual conversion to a mix of market rate and affordable units.

li-5: Utilize City or Agency-owned remnant parcels for affordable housing.

Achievements:

The City has maintained a policy of setting aside 20% of the housing unit allocation under the RDCS for projects in which 100% of the housing units are affordable to very low-, low-, and median-income households. Between 1988 and 1998, 519 affordable housing units have been produced under RDCS, most of which have been very low- and low-income units. Since 1995, the RDCS point system has tended to favor affordable housing units targeted to households earning less than 80% of median income. The City is reviewing the point allocation system to determine the most effective way to increase incentives for the production of median- and moderate-income housing without creating disincentives for very low- and low-income housing.

Between 1988 and 1998, the Morgan Hill Redevelopment Agency has invested about \$9.5 million in low-income housing set-aside funds to assist in the construction and rehabilitation of 404 affordable housing units. Of this total, 266 were new affordable rental housing units and the remainder was ownership units.

The City believes that its activities in support of affordable housing through RDCS, zoning, and Agency activities have produced significant results and that these programs should be continued.

Actions:

lj-1 Ensure that new affordable BMR rental units assisted with RDA funds provide a high percentage of three- and four-bedroom units.

lj-2: Ensure that new BMR ownership units continue to offer a significant percentage of three- and four-bedroom units are three-or four bedroom units suitable for large families.

Achievements:

The Agency assisted in the creation of 147 very low-, low-, median-, and moderate-income three- and four-bedroom units. Of these units, 66 were very low- or low-income rental housing unit Under the BMR ownership program, an additional 235 affordable housing units were created, of which 225 contained three or four bedrooms.

Action:

1k-1: Retain provisions in the Zoning Ordinance that permit manufactured housing by right in residential zoning.

Achievements:

The City has retained its zoning provisions that permit manufactured homes on single-family lots. However, the cost of land in Morgan Hill makes it unlikely that a manufactured home subdivision would be proposed. If necessary to encourage this housing alternative, the City could apply planned development provisions that would allow smaller lot manufactured home subdivisions and/or adjust its allocation process to

award more points to a manufactured home subdivision. A manufactured home subdivision that is 100% affordable would be eligible for the 20% set-aside under the RDCS.

Actions:

11-1: Continue to allow mobile home subdivisions within the Multi-Family (Low) density areas as a permitted use, and in other residential designations by use permit.

11-2: Conduct a study to evaluate the economics of mobile homes park development and identify incentives to foster their creation.

Achievements:

The City has retained provisions in its Zoning Ordinance that permit mobilehome parks in the Multi-Family (Low) density district. However, the cost of land in Morgan Hill makes it unlikely that a new mobilehome park would be developed in Morgan Hill. If necessary to encourage this housing alternative, the City could adjust its allocation process to award more points to a mobilehome park. A new mobilehome park that is 100% affordable would be eligible for the 20% set-aside under the RDCS.

The City has not conducted a study of the economic feasibility of developing a new mobilehome park because it believes the greatest financial impediments are related to the cost of land and availability of financing. The Morgan Hill Redevelopment Agency could assist in assembling and purchasing a suitable site for a new mobilehome park and accessing state or federal funding for its development (if proposed as an affordable park for very low- and/or low-income households). These actions could address potential financial impediments if an interested mobile home park developer presents a proposal to the City.

Action:

1m-1: Retain the Central Commercial Residential (CC-R) zoning classification around the downtown

Achievements:

The City retained the Central Commercial-Residential zoning classification around the downtown area. Except for Agency assisted projects, however, no residences have been developed in or adjacent to the downtown area. Demand for housing downtown has been weak during the 1990s, but may be a viable alternative over the next ten years given the changing nature of the Morgan Hill housing market. The City will continue to retain the Central Commercial-Residential zoning and continue to offer regulatory and financial incentives to interested developers.

Action:

1n-1: Evaluate commercial areas outside the Downtown core to apply a special mixed-use zoning category wherever mixed residential and commercial uses are appropriate.

Achievements:

The City has a Planned Unit Development (PUD) process that permits mixed-use developments anywhere in the City that are physically suited for such uses. The City believes that the PUD provisions are sufficiently flexible so that a special mixed-use zone is not necessary.

Action:

1o-1: Establish a low interest loan program to provide below-market-rate financing for the construction of second units for very low- and low-income households.

Achievements:

The Agency established, and marketed, a low-interest loan program for new second units in which owners agreed to long-term affordability restrictions for very low- or low-income households. Program eligibility criteria were established to permit the broadest participation possible. No property owners applied for the program because of the availability of private financing at reasonable rates without the affordability deed restrictions. The Agency does not believe that any low-interest loan program would be marketable in Morgan Hill because property owners do not want to have their second units encumbered by long-term affordability restrictions. The Agency has, therefore, decided to discontinue this program.

Actions:

1p-1: Continue the Mortgage Credit Certificate (MCC) Program in conjunction with the County.

1p-2: Require relocation assistance when private redevelopment displaces very low-, low-, or moderate-income residents.

1p-3: Encourage landlords to utilize rental assistance programs, such as housing vouchers and Section 8 vouchers administered by the Housing Authority of Santa Clara County.

1p-4: Investigate guaranteeing the first and last month's rent and security deposit for eligible renter households

Achievements:

The Agency continues to participate in the MCC Program, which has been relatively successful in Morgan Hill. Except for the year 1993, more than 15 vouchers were issued each year.

The Housing Division of the Agency monitors the process to ensure compliance of qualified, displaced residents. The monitoring begins with notification from Community Development. To date, private actions have triggered the relocation requirements for four dwelling units.

The Housing Division distributed information annually to interested landlords and provides referrals to the Santa Clara County Housing Authority for more information on participation in the Section 8 Program. Participation by landlords in the Section 8 Program is based on market factors that are beyond the City's control, however.

After considering establishing a new program to provide first-and-last-month's rental assistance, the Housing Division determined that existing programs offered by area non-profit organizations were sufficient to meet the local need. Rather than establish a duplicative program, the Agency has decided to refer needy households to area nonprofit organizations that provide this assistance and support these existing programs through financial contributions, if necessary.

Actions:

1q-1: Allocate a share of the RDA “20 percent” Housing Set-Aside funds to affordable housing projects that cover a significant portion of project costs from other funding sources.

1q-2: Continue to work with local legislators and provide input to the State Legislature to ensure that State programs and legislation meet local housing needs and programs.

Achievements:

Most of the affordable housing developments assisted financially by the Agency through the 20% housing set aside funds obtained the majority of their funding from other sources, resulting in a high rate of leverage of Agency funds. Due to the success of this policy, the Agency will continue to use a high percentage of its housing set-aside funds for the construction of new affordable housing and require that developers leverage Agency funds with other sources.

The Agency’s Housing Division monitors proposed legislation each year and participates directly and through the California Redevelopment Association in providing input to the Legislature.

Actions:

1r-1: Provide home improvement loans through the City’s Housing Rehabilitation program

1r-2 Continue to provide assistance to property owners with 15-year loans under the Replacement Housing program.

Achievements:

Since 1988, the Agency has provided nearly \$2.4 million in 20% housing set-aside funds and CDBG funds in support of housing rehabilitation. The Agency has assisted in the improvement/rehabilitation of over 100 housing units and mobilehomes through home improvement programs.

No developers applied for Agency assistance under the Replacement Housing Program, but four units were replaced by private developers as required under the City’s program. Agency funds were not necessary to ensure replacement of housing units. The City will continue to offer this program, however, in the event financial assistance is necessary in the future to ensure replacement of housing units.

Actions:

1s-1: Conduct a major review of housing demand by income and family size using 1990 Census data.

1s-2: Review housing objectives annually and recommend program modifications if annual housing objectives are not being met.

Achievements:

The City did not conduct a study of housing demand, nor was one necessary. Through its periodic adjustments to the RDCS, the City evaluates changes in the local housing market and housing demand. A separate study was, therefore, not necessary.

Annual review of housing objectives is achieved through the annual General Plan Implementation report. As part of the report, City staff provides recommendations to the City Council on proposed modifications to Housing Element implementation programs to better meet housing objectives.

Action:

1t-1: Continue to require the recordation of deed restrictions for all affordable units

Achievements:

The Agency recorded deed restrictions on all affordable housing units. The Agency requires deed restrictions on both ownership and rental housing units, although the period of affordability for ownership units has varied since 1990. Currently, the Agency seeks deed restrictions of at least 30 years on all affordable housing units.

Actions:

lu-1. Continue to exercise the City's first-option rights to purchase BMR units upon resale, and extend the affordability restrictions as part of the next sale to eligible purchasers.

lu-2. Develop a program to encourage the sale of BMR units to the City where financially justifiable before deed restrictions expire.

Achievements:

The Agency continues to reserve its right of first refusal for purchase and continues price restrictions on BMR ownership units. Because the waiting list is so long for these units, the Agency has not had to exercise its right over the past several years.

The Agency allowed its affordability restrictions to lapse after the County had induced the new owner to extend the same deed restrictive language in its agreement until July 2009.

Action:

lv-1: Continue the City's program to restrict conversion of rental units to condominiums if the rental vacancy rate is less than 5 percent.

Achievements:

The City has maintained its condominium conversion requirements, but has not received any requests for conversion.

Actions:

lw-1: Refer discrimination complaints to Operation Sentinel or other organizations which combat housing discrimination.

lw-2: Allocate CDBG and other funds to support Operation Sentinel or other organizations which promote fair housing programs.

lw-3: Maintain an equitable buyer-selection procedure for low-, median-, and moderate-income units.

1w-4: Continue to publicize and broaden understanding and acceptance of City housing programs

Achievements:

The City refers housing discrimination complaints to Project (formerly Operation) Sentinel and allocates a portion of its annual CDBG allocation to Operation Sentinel for fair housing activities.

The use of a lottery procedure for the selection of buyers was discontinued after an evaluation that concluded that the selection of buyers by lottery was inequitable. The procedure was substituted by a waiting list that offers equitable participation in the buyer selection of affordable units.

Public service announcements were published on the City's local public access television channel and in City publications. Morgan Hill also contracted with a variety of public services agencies, such as Project Sentinel, Emergency Housing Consortium, and Second Harvest Food Bank, in which the scope of services included annual public presentations and/or publications. These methods of publication and dissemination appear to be very effective in increasing public awareness and participation in most City programs. Exceptions, as noted previously, are programs in which no level of publicity would have resulted in greater levels of participation.

Actions:

1x-1: Retain provisions within the RDCS that give higher ratings to projects that create neighborhoods and residential developments of ethnic and economic diversity.

1x-2: Develop methods to integrate affordable units constructed by non-profit developers into proposed market rate developments.

Achievements:

The City has maintained these provisions of the RCDS, which has successfully resulted in mixed-income residential developments. Due to the competitive nature of the RDCS, market-rate projects typically include affordable housing units without the participation of nonprofit organizations. The City investigated the feasibility of integrating nonprofit-constructed affordable housing units into market-rate developments, but the size of most residential projects in Morgan Hill does not make this option feasible.

Action:

1y-1: Prepare and adopt requirements and standards for mobile home and manufactured housing developments consistent with State Law.

Achievements:

The City's current zoning standards for manufactured housing and mobilehomes comply with state requirements to allow such housing options in residential zones.

Action:

1z-1: Retain RDCS incentives for energy conserving building techniques for residential construction.

Achievements:

The City revised the RDCS allocation process to provide additional points for residential projects that incorporate energy conservation techniques that exceed minimum state requirements. The revisions have resulted in new residential projects that are even more energy efficient than comparable residential projects that only comply with state standards.

Actions:

2a-1: Continue the City's Home Improvement Loan Program which provides rehabilitation assistance using both RDA 20 percent and CDBG funds

2a-2: Continue City's code enforcement programs with emphasis on rental units, assistance in maintaining affordability, and non-displacement of existing tenants.

2a-3: Ensure that CC-R zoning provisions and design requirements are appropriate and flexible to facilitate the rehabilitation and retention of existing residential development.

2a-4: Ensure that all housing units rehabilitated with City assistance are energy efficient

Achievements:

For 2a-1, see achievements for Actions 1r-1 and 1r-2.

The City has an active enforcement program, with one code enforcement officer. The City's main code enforcement problems are illegal signage, failure to obtain building permits, and improper storage of vehicles, boats, and trailers. Other offenses include public nuisances, litter, illegal dumping, and other similar offenses. As of August 2001, the City had a total of 750 code violations, over half of which were illegal sign postage.

The City conducted a review of its CC-R zoning provisions and determined that the development standards include sufficient flexibility to encourage the rehabilitation and retention of residential uses.

Housing units assisted under the rehabilitation program typically receive energy efficiency improvements, such as new doors, windows, insulation, and weatherstripping. The City also allocates CDBG funds to Economic and Social Opportunities for its Weatherization Program, which is available to Morgan Hill residents.

Actions:

2b-1: Coordinate the planning and funding of neighborhood infrastructure improvements by integrating the Capital Improvement Program with Redevelopment Agency programs.

2b-2: Support neighborhood code enforcement programs with low cost loans and technical assistance to homeowners.

2b-3: Continue public information efforts to encourage property owners in target neighborhoods to participate in the rehabilitation loan program.

2b-4: Utilizing the Rehabilitation Loan program, continue to assist the expansion of existing units to alleviate overcrowding.

Achievements:

The City coordinates capital improvement funding decisions under its Capital Improvement Program with its affordable housing strategies implemented through the Housing Element and Redevelopment Implementation Plan.

For 2b-2, see achievements under Actions 1r-1 and 1r-2. To encourage participation in the rehabilitation program, the Agency periodically mails information letters to property owners, leaves flyers at doorsteps in targeted neighborhoods, and places public service announcements in local media. The Agency believes that its marketing efforts are successful given the level of participation and funds expended annually on the program.

Although the Agency continues to market the availability of the rehabilitation program to add bedrooms to alleviate overcrowding, there have been no requests by property owners to use the program for this purpose. The overwhelming majority of eligible low-income homeowners are older adults and small family households for which overcrowding is not a concern. The Agency has achieved greater success in addressing overcrowding by assisting in the development of new three- and four-bedroom housing units.

Actions:

2c-1: Maintain the City's rent stabilization ordinance for mobile home parks.

2c-2: Consider instituting a special mobile home park zone to protect against future conversion to other uses.

2c-3: Continue the City's program to provide rehabilitation loans to upgrade older mobile homes.

2c-4: Investigate opportunities to assist in resident purchase of existing mobile home parks.

Achievements:

The City has maintained its rent stabilization ordinance, which has been successful in limiting the rate of rent increases in mobilehome parks.

The City examined the need for a special mobile home park zone to retain existing parks and determined that the likelihood of conversion is low. Existing mobilehome parks in the City have either converted to resident ownership or have shown significant investment by owners, indicating a long-term strategy to maintain the current use of property.

The Agency uses 20% housing set-aside funds to assist mobilehome owners. See Actions 1r-1 and 1r-2 for further information.

Agency staff met with mobilehome park owners and residents regarding opportunities for resident purchase and ownership (including financing options under state and federal programs). The City completed a feasibility study. One mobilehome park has converted to resident ownership, but a second park did not convert due to the inability of residents and owners to reach an agreement on purchase terms. The City believes that residential ownership is still a viable option and will continue to facilitate negotiations between residents and mobilehome parks owners (including assistance in access funding) if requested by either or both parties.

Action:

3a-1: Review the RDCS criteria to strengthen incentives for the production of housing for large families in the "Housing Needs" and "Housing Types" sections of the criteria.

Achievements:

Most new homes approved under the RCDS have three or more bedrooms. No further revisions to RDCS allocation criteria are considered necessary to encourage housing with more bedrooms.

Action:

3b- 1: Work with the Shared Housing program or other non-profit organization to acquire or finance the construction of a four-plex to provide shared housing for single parents.

Achievements:

In 1995, the Agency assisted South County Housing to develop Depot Commons, an innovative share rental housing development that can accommodate 12 persons at one time.

Actions:

3c-1: Continue to enforce State and federal requirements for accessibility to the disabled in new multi-family units.

3c-2: Provide low interest rehabilitation loans to make existing residences accessible to the disabled

3c-3: Work with "The Bridge" to acquire at least one additional multi-family unit in Morgan Hill for shared residence for mentally impaired homeless adults.

Achievements:

The City continues to enforce state and federal accessibility requirements for new housing on all new multifamily developments.

Approximately ten homes were retrofitted with accessible items for the disabled, such as wheelchair ramps, shower grab bars and seats, and front and rear entrance grab bars.

In South County, Community Solutions provides housing and support services to mentally ill, homeless, disabled adults. In 1985 the City provided \$50,000 of CDBG funds to assist Community Solutions in purchasing a duplex unit that is used as permanent affordable rental housing. The City assisted Community Solutions in the purchase of a second multi-family unit with RDA funds in 1995.

Action:

3d-1. Investigate the potential for a joint venture between the City and a non-profit housing group to produce farmworker housing.

Achievements:

City staff met several times with the countywide Homeless Task Force regarding the potential for rehabilitating or constructing new housing for farmworkers to be funded

under the U.S. Department of Agriculture's Rural Housing Services. Community opposition to housing specifically for farmworkers, particularly seasonal housing for migrant farmworkers, impeded the City's ability to move forward with a project targeted solely to farmworker families. However, the City has assisted in the development of over 250 units of very low-income housing since 1990, which has provided year-round, affordable housing for very low-income families, including farmworkers who are permanent residents of the area. Given the declining need for seasonal workers in the local agricultural industry, Morgan Hill does not believe that it should continue to attempt to supply such housing. The City will continue, however, to assist in the construction of new year-round housing for special needs populations such as very low-income farmworkers.

Action:

3e-1: Provide a Single Room Occupancy (SRO) facility for single persons

Achievements:

The Agency assisted South County Housing in the development of a mixed-use project (Skeels Building), which has ground-floor commercial uses and 13 studios on the second floor for very low-income persons. The Agency has determined that this project was successful in expanding the housing supply for individuals with very low incomes, and will continue to work with South County Housing to identify future opportunities for additional SRO units.

Actions:

3f-1: Continue to use CDBG and other available funds to support the provision of housing-related services for groups with special needs

3f-2: Continue to support agencies providing emergency shelter for homeless individuals and families in South County.

3f-3: Continue to participate in the Santa Clara County Homeless Coordinators group to coordinate actions to provide assistance and support to local groups assisting the homeless.

3f-4: Continue to provide assistance and recommendations to the County Intergovernmental Council Committee on Homelessness, or its successor.

3f-5: Permit emergency shelters and transitional housing as a conditional use in the R-3 zoning district.

Achievements:

The City has allocated over \$300,000 in CDBG funds since 1988 for housing and housing related services, such as tenant-landlord counseling, shelter for women and their children escaping domestic violence, emergency shelter for other homeless individuals and families, and shared housing, among other services.

The City has annually allocated a share of the City's CDBG funding to the Emergency Housing Consortium, which has provided over 100,000 shelter nights since 1990 to Morgan Hill residents at the San Martin Family Living Center, Ochoa Winter Shelter, National Guard Armory, and other shelters in the County. The City also provided CDBG

funds to rehabilitate the San Martin Family Housing Center, an emergency shelter facility outside the City that is available to Morgan Hill residents.

The City continues to participate in the Santa Clara County Homeless Coordinators and the County Intergovernmental Committee on Homelessness by participating in meetings of the consortium and the development of programs and services.

The City has not amended its Zoning Ordinance to specifically permit emergency shelters and transitional housing in the R-3 zone. This action was not taken because neither the City nor the primary homeless service provider in the area (Emergency Housing Consortium) believed a homeless shelter was necessary within the City of Morgan Hill to accommodate local homeless needs. The Redevelopment Agency provided financial assistance for the development of a transitional housing facility (the Depot Commons) despite the lack of specific listing in the Zoning Ordinance for such a use.

Because there may be a need in the future for emergency shelter and/or another transitional housing facility, the City will amend the Zoning Ordinance to facilitate the location of emergency shelter or transitional housing.

Action:

3g-1: Assist in marketing shared housing programs by distributing flyers and providing messages on local access television to advertise the program

Achievements:

The Agency assisted SCH with the development of Depot Commons, which consists of shared rental housing consisting of three single-family homes that can accommodate up to four households, a maximum of 12 people. This project is intended to serve as a transitional facility, not permanent housing for the occupants. Table 2 contains a summary of affordable housing units produced annually by income group. These include units assisted by the Redevelopment Agency and those produced under the RDCS without Agency assistance.

Table 2

Summary of Affordable Unit Produced (1988 –1998)

Year	Very Low	Lower	Median	Moderate	Total
1998	48	68	0	0	116
1997	1	18	8	0	27
1996	45	56	12	0	113
1995	0	6	3	0	9
1994	3	30	28	0	61
1993	0	5	14	0	19
1992	26	47	6	4	83
1991	0	3	4	1	8
1990	0	13	6	3	22
1989	20	1	5	0	26
1988	10	10	0	15	35
Total	153	257	86	23	519

Note: includes the affordable rental and homeownership housing units that were deed-restricted and produced by private and non-profit enterprises between 1988 -1998. The figures were not adjusted to reflect the expiration of affordability requirements on units produced during the report's 10-year period.

Source: City of Morgan Hill